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21 OCT 1968

MEMORANDUM FOR: Director of Communications

SUBJECT : Agency Policy on Control of Communications

REFERENCE : A. Memo for DCI, dtd 29 Jan 1966, Control of
Agency Communications
B. Memo from Ex. Agent NCS, PPBS, dtd 25 Mar 1968
C. Letters from the Manager, NCS
D. DCI Letters to Director BOB, Protection of
Intelligence

1. This memorandum is for your information. Further, in accordance with your request that a policy position be developed with respect to control of Agency communications, there is contained in paragraph 6 a proposed position together with the recommendation that it be adopted.

2. Prior to the establishment of the NCS in 1963 (see Attachment 1 to Reference A), the question of who would control the Agency's communications had never been raised. In 1966, however, the staff of the Special Assistant to the President for Telecommunications (SAPT) proposed, in connection with NCS Long Range Planning, that a directive be developed which would require a separate budget category identifying in detail Agency telecommunications support and the approval by the SAPT of new programs exceeding one million dollars. It was this proposal which caused Reference A to be written. Although the SAPT Staff proposed directive was never approved, efforts to impose increased budgetary and financial controls on Operating Agencies have continued. Reference B represents the latest attempt, reflects BOB intentions and was put out although we disagreed with it. This proposal is being handled by an NCS

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working group which has to date produced nothing of value. Further activity will be reported separately.

3. From the above it will be noted that the initial concern of Agency officials related to the prospects of financial control of our communications by outsiders. As you know, there is another type of control which could have an equally serious effect on the communications support of the Director of Central Intelligence and the Agency's mission, that is, operational direction or control imposed from the outside. This paper addresses that subject.

4. When the NCS was established by the President's Memorandum of 21 August 1963, it said in part: "There is a need to establish a unified governmental communications system." (See [] letter to DDS, Attachment 1, Reference A.) Ever since then there have been arguments and discussions as to just what was meant by "unified." Some have taken the view that it meant a single monolithic system which would provide service to all agencies. Other have taken the diametrically opposed position that it merely meant joining the individual networks into a communications entity through a series of inter-connects, with each agency continuing to maintain its own control and operating prerogatives. There were also varying shades of opinion between the extremes. A most hotly contested action developed recently when the NCS Staff attempted to write an NCS Memorandum which would have given the Manager (and thus the Staff) responsibility for operational direction of the Operating Agencies on a day-to-day (as distinguished from emergency) basis. This was vigorously and successfully opposed by the Operating Agencies. The two letters written by the Manager, NCS stating his

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position (Reference C) are the result. Unfortunately they contain enough ambiguities as to make a variety of interpretations possible. This being the case, the NCS Staff could very well continue its efforts to become involved in Operating Agency business. The NCS Representative can, in concert with the other Agency Representatives, block these efforts as in the past, however, it is possible that at some future date the Agency may have to maintain its position without the cooperation of other Operating Agencies. It seems to me that a stand based on statutory authorities relating to intelligence activities would be the most logical and persuasive. In support of this I quote from the above mentioned letter:

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"4. Why CIA Must Control its Communications System

"a. Although it is obvious that there are increasing pressures toward a greater unification of communications systems on a national level, these, for the most part, have been directed towards assurance of operational compatibility and the nonduplicatory establishment and operation of circuits and facilities. It is difficult to contest these worthwhile objectives, and within certain limits we are prepared to provide essential information relative to our staff communications programs to the NCS and DTM; however, this Agency should oppose strongly any plan leading towards actual operation of any part of its network, be it base or field station facility, by any other organization for the following reasons:

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"(2) We must fulfill the Director's statutory responsibilities under Section (d)(3) Public Law 253, "The National Security Act of 1947," that:"the Director of the Central Intelligence shall be responsible for protecting intelligence sources and methods from unauthorized disclosure." This requires complete privacy for Agency communications.

"(3) A primary mission of the Office of Communications is to provide highly specialized communications support to the clandestine services.

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"(4) The Agency's facilities in support of staff and clandestine communications are completely integrated.

"(a) Our base radio stations, strategically located around the world have the dual mission of

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performing the relay function for official traffic and providing base station support of Agency clandestine operations.

"(b) The personnel and facilities at our field stations must also have the capability of providing training and other communications support to clandestine activities in addition to their primary mission of processing official traffic. The same personnel, radio equipment and antennas are used interchangeably in support of both missions.

"(c) Agency communicators are recruited, trained and, through career guidance, developed into generalists who are highly qualified in all aspects of Agency communications. It is unique in Government communications to have individuals trained to install and operate all types of radio and cryptographic equipment and possessing the skills to communicate by CW or more sophisticated techniques to one or more base stations or with an agent.

"(d) The Agency has historically been required to react quickly to provide communications support in crisis situations. We have been successful in meeting such requirements because of our ability to rapidly redeploy well-qualified personnel from noncrisis areas. Normally

such personnel are otherwise engaged in staff communications work.

"(e) If the staff communications function was performed by any other Agency, a clandestine communications organization would be required to support our unique requirements. The personnel and facilities of this organization would be largely duplicatory.

"(5) The only possible substitute would be a specified military system or the over-all Defense Communications System. Hard experience has consistently demonstrated the inability of military communications systems to provide the speed and quality of service mandatory for Agency traffic. The comparatively small size of the Agency system and the "professionalism" of its communications personnel make military competition for results almost impossible.

"5. From the foregoing it is also apparent that it would be extremely difficult for the Agency to isolate, on a program basis, its telecommunications costs. Because of the complete integration of personnel, facilities and logistics, any specific allocation of costs between staff and clandestine communications support would necessarily be arbitrary."

5. I discussed this entire problem with Mr. John S. Warner, Deputy General Counsel, in order to reaffirm the legal and statutory bases for the Agency's position concerning privacy and control of its communications system. We reviewed the two letters (Reference D) written by Mr. McCone to the

Bureau of the Budget in 1962. These letters cited section 102(d)(3) of the National Security Act of 1947 and section 6 of P. L. 110. Mr. Warner advised as follows:

a. Section 102(d)(3) provides ". . . That the Director of Central Intelligence shall be responsible for protecting intelligence sources and methods from unauthorized disclosure;" Section 6 of P. L. 110 merely implements section 102(d)(3) and does not enlarge the Director's responsibility.

b. The responsibility placed on the Director is a positive duty and clearly requires the Director to take all steps possible to ensure the security of sources and methods. For example, if a part of our communications system were controlled by another Agency, it could be charged that the Director had not completely fulfilled his responsibilities for security if there were a leak out of that part of the system. The responsibility for an unauthorized disclosure of sources and methods is not lifted off the Director's shoulders merely by his saying that CIA had agreed with another agency that it would control a segment of the communications system and that that agency had agreed to maintain a proper degree of security. The only true control is command control, and responsibility, as placed by statute, cannot be shifted or delegated. It was also pointed out that there have been recent court decisions, both in the Federal District Court and in the Circuit Court of Appeals, recognizing that the statutory responsibility of

the Director is a positive one requiring him to take affirmative action to implement it.

c. Furthermore, by statute the Director is the principal intelligence adviser to the President. In order to fulfill this role he must not only collect intelligence but he must have a rapid, reliable, and secure communications system over which to transport it. Again, in the event of an intelligence failure due to faulty communications, the Director is not relieved of his responsibility because the breakdown occurred in a part of the communications system over which he did not have command control.

d. It was also pointed out that the CIA Subcommittees in the House and the Senate have been briefed over the years on the Agency's communications system and its accomplishments, both on a routine basis and in crisis situations. In addition, these Subcommittees are well aware of some of the difficulties which have occurred in the Department of Defense communications systems. In view of this, it would appear that, to whatever extent these Subcommittees might become involved in an effort to wrest control of communications from the Agency, they would affirmatively support the Agency and would oppose vigorously any action which could threaten Agency control of its communications system, thus lessening its security and effectiveness.

e. In summary, there is a sound legal basis for the Agency position. In fact, yielding command control of all or a part of communications could well be construed as a failure by the DCI to

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6. As a result of the foregoing, I recommend that the following position be taken if and when it becomes necessary in order to avoid involvement in any NCS or other undertaking in a manner which would reduce the Director's command authority over his communications, degrade its effectiveness through attempts to impose upon the Agency additional communications responsibilities irrelevant to the Agency's mission or circumscribe the DCI's authority over Agency resources including communications. In this connection, the NCS Long Range Plan (FY 69-74) states:

"Because of this vital role of telecommunications in the several separate agencies, the prerogative of the Agency head to decide, subject to applicable Federal regulations, how much of his total resources he will devote to telecommunications must not be usurped except under extra-ordinary circumstances."

Statement of CIA Communications Policy

1. The Director of Central Intelligence, as the principal intelligence adviser to the President, must be in command of a world-wide communications system which is keyed to meet the requirements of national intelligence collection.

2. In addition, this system must be designed to enable the DCI to discharge his statutory responsibilities for the protection of intelligence sources and methods from unauthorized disclosure as required by Section 102(d)(3) of the National Security Act of 1947 as amended and the Central Intelligence Act of 1949 as amended (Public Law 81-110). In the accomplishment of the foregoing the following are required:

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- a. The DCI must be in control of his communications system.
- b. CIA traffic flowing between its covert activities and Headquarters and among the covert activities must be enciphered regardless of classification.
- c. CIA must have end-to-end encryption or its equivalent to protect intra-Agency clear text from unauthorized disclosure during transmission.
- d. CIA authorities must control, and CIA cleared and trained personnel must operate all communications facilities where intra-Agency traffic appears in plain text form.
- e. CIA cannot accept external communications requirements or participate in communications activities which will degrade the communications capability currently available to the Agency or impair the security of the communications system.
- f. The DCI must maintain his authority to allocate and reallocate the Agency's resources, including communications in accordance with Agency priorities.

NCS Representative

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Attachments: